

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:3332

ANSWERED ON:04.08.2017

Investment by Overseas Indians

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Will the Minister of FINANCE be pleased to state:

- (a) the amount of funds remitted to the country by NRIs/ Overseas Indians in various sectors during the last three years, Sector-wise;
- (b) the amount remitted by the NRIs/ Overseas Indian in terms of percentage of Gross Domestic Products (GDP) during the said period;
- (c) the nature of impact of said investment/remittance on the above sectors and the details of the countries making large contribution to India along with the States/ UTs receiving maximum amount; and
- (d) the steps taken by the Government to provide more facility in view of the contribution of NRIs in development of country; and
- (e) whether the Government proposes to encourage such investment/remittance in the tribal areas of the country and if so, the details thereof and the steps taken by the Government in this regard?

Answer

The Minister of State in the Ministry of Finance (SHRI ARJUN RAM MEGHWAL)

(a) to (c) Details of remittances/private transfers by Non-Resident Indians (NRIs) as recorded in India's Balance of Payments statistics are set out in the Table below. Government does not maintain sector-wise classification of remittances by NRIs.

Remittances (Private Transfers) received by India

Year (in US\$ billion) (Per cent to GDP)

2013-14 69.6 3.8

2014-15 69.8 3.4

2015-16 65.6 3.1

2016-17 61.3 2.7

Source: Balance of payments statistics, RBI.

(d) to (e) The Government has put in place a liberal and transparent policy for Foreign Direct Investment (FDI), including investments from Non-resident Indians (NRIs), wherein most of the sectors are open to FDI under the automatic route. The policy allows special dispensation for

NRI investments in the sector of townships, housing, built-up infrastructure and construction-development projects (which include, but are not restricted to, housing, commercial premises, hotels, resorts, hospitals, educational institutions, recreational facilities, city and regional level infrastructure), without the conditionalities attached to FDI in such projects. It also allows a special dispensation for NRI investments upto 100% under the automatic route in the sectors of Scheduled Air Transport Services, Domestic Scheduled Passenger Airlines, Non-Scheduled Air Transport Services, Non-Scheduled airlines, Chartered airlines and Cargo airlines. Further investment made by NRIs on non-repatriation basis under Schedule 4 of Foreign Exchange Management Act, 1999 (FEMA) Regulation is deemed to be domestic investment at par with the investment made by residents.